STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

CITY OF MANILLA, MUNICIPAL GAS DEPARTMENT

DOCKET NO. SPU-01-16

ORDER ESTABLISHING PROCEDURAL SCHEDULE

(Issued May 16, 2002)

On October 25, 2001, the Utilities Board (Board) opened this docket to investigate whether the City of Manilla, Municipal Gas Department (Manilla), had discontinued natural gas service without Board approval in violation of Iowa Code § 476.20(1) (2001). The investigation was initiated based upon a letter filed on October 9, 2001, by Howard Ahrenholtz, Randy Ahrenholtz, Art Joens, Jay Miller, Terry Schechinger, and Marvin Vennink (Complainants). The filing was identified as Docket No. SPU-01-16. On November 2, 2001, Manilla filed a response indicating that it had not made a final decision whether to discontinue the service to Complainants and their properties.

The Board on January 18, 2002, issued an order directing Manilla to file an updated response concerning the decision to discontinue service. On January 24, 2002, Complainants filed supplemental information concerning the discontinuance. On February 20, 2002, Manilla filed the updated response and an application to discontinue natural gas service to the following customers and locations:

Randy Ahrenholtz	3433 Hwy 141, Manilla, IA
Ahrenholtz Seeds	3431 Hwy 141, Manilla, IA
Terry Schechinger	3130 340th St., Manilla, IA
Art Joens	3166 340th St., Manilla, IA
Marvin Vennink	3246 340th St., Manilla, IA
Jay Miller	3270 340th St., Manilla, IA

On March 18, 2002, the Board issued an order docketing the application for further investigation and directing the parties to respond to certain questions. The parties filed their responses on May 1, 2002. In their response, Complainants requested this matter be set for evidentiary hearing. Manilla also requested an evidentiary hearing if Complainants requested one.

Since this matter is a contested case under the terms of Iowa Code § 17A.12, the Board is required to provide an evidentiary hearing if requested. Based upon the request of the parties, the Board will establish a schedule for prefiling testimony, a hearing date for cross-examination of witnesses, and dates for simultaneous briefs.

Because of the limited time that the Board has to consider this matter before it must issue a decision on July 18, 2002, testimony and evidence presented at the hearing must be focused on relevant issues. After discussions with the parties' attorneys, the Board has determined that the relevant issues that will be addressed at the hearing are: (1) the cost of converting the Complainants' property and uses from natural gas to propane, and (2) whether a 2-inch or 3-inch natural gas line would be required to meet Complainants' uses. The procedural schedule will require the prefiling of testimony on the two issues and allow for cross-examination of those issues at the evidentiary hearing.

The parties, as an alternative to prefiling witness testimony and appearing for cross-examination, may file the depositions of their witnesses.

Additionally, the Board expects the parties to agree to the admissibility of the information already submitted in this docket. This information is contained in Complainants' filings on October 9, 2001, January 28, March 11, and May 1, 2002, and Manilla's filings on November 2, 2001, February 20, and May 2, 2002. The Board will include a filing date in the procedural schedule for the filing of stipulations to additional information that the parties wish the Board to consider, an agreement to the admissibility of the previous filings, and for the filing of depositions in lieu of cross examination.

IT IS THEREFORE ORDERED:

The following procedural schedule is established:

- a. The City of Manilla, Municipal Gas Department, and Complainants shall file simultaneous prepared direct testimony, with underlying workpapers and exhibits, on or before May 31, 2002. If a party references a data request in its prepared testimony, the data request shall be filed as an exhibit.
- b. Agreement to the admissibility of previously filed information and stipulations to additional information shall be filed on or before June 4, 2002.
- c. A hearing shall be held beginning at 10 a.m. on June 12, 2002, for the purpose of receiving testimony and the cross-examination concerning

the two issues described in this order. The hearing shall be held in the Utilities Board Hearing Room, 350 Maple Street, Des Moines, Iowa. The parties shall appear one-half hour prior to the time of the hearing for the purpose of marking exhibits. Persons with disabilities requiring assistive services or devices to observe or participate should contact the Utilities Board at (515) 281-5256 in advance of the scheduled date to request that appropriate arrangements be made.

- If the parties agree to file the depositions of witnesses in lieu of e. appearing at the evidentiary hearing, the depositions shall be filed on or before June 4, 2002.
- f. The parties may file simultaneous briefs on or before June 19, 2002.

UTILITIES BOARD

/s/ Diane Munns /s/ Mark O. Lambert

ATTEST: /s/ Judi K. Cooper /s/ Elliott Smith Executive Secretary

Dated at Des Moines, Iowa, this 16th day of May, 2002.